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WASHINGTON, DC—U.S. Congressman Peter DeFazio voted today to lower drug costs by allowing the U.S. government the power to negotiate with drug companies for lower prescription drug prices for Medicare beneficiaries. The House passed the bill, HR 4, this afternoon by a vote of 255 to 170.

“One of the major flaws of the 2003 Medicare Part D program is that it bars the government from negotiating for lower drug prices, a provision included at the behest of drug manufacturers,” DeFazio said. “Today’s legislation remedies this flaw. There’s no reason that Medicare should be the only entity in the country that cannot bargain for lower group drug prices.

“This bill was a good first step toward improving our prescription drug program. However, there is more work to be done. We must also allow for reimportation of less expensive FDA-approved prescription drugs and restore fair pricing clauses, so that prescription drugs developed with taxpayer funds are priced reasonably. In addition, we should make sure Medicare, like Medicaid, receives the best price possible when it purchases drugs.”

HR 4 provides Medicare broad discretion on how to best implement the negotiating authority and achieve price discounts for Medicare beneficiaries. In conducting these negotiations, the Secretary of Health and Human Services may not restrict access to certain medicines in Medicare.

The Medicare Part D program includes a large coverage gap and many giveaways to drug companies, and it has failed to slow the rapid growth in drug prices. In fact, according to a recent study by Families USA, the prices charged by Medicare drug plans are rising at more than twice the rate of overall inflation.